# TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



## FISCAL MEMORANDUM

## SB 954 – HB 1323

April 27, 2010

SUMMARY OF AMENDMENT (017086): Deletes the language of the original bill. Defines "adapted vehicle" as a motor vehicle for an aging or disabled person. Defines "automotive dealer" as a person who exclusively sells or services adapted vehicles. Requires automotive mobility dealers to obtain a mobility dealer license from the Motor Vehicle Commission by March 1, 2011. Requires the Commission to establish license application and renewal requirements. Authorizes the Commission to deny, suspend, or revoke a dealer's license for any violation of current law. Requires the Commission to revoke licenses when a hearing determines the dealer sold or modified vehicles that do not comply with the administrative regulations.

#### FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – Not Significant

### FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Revenue – Exceeds \$2,400/Tennessee Motor Vehicle
Commission
Increase State Expenditures – Not Significant/ Tennessee Motor Vehicle
Commission

Assumptions applied to amendment:

- According to the Department of Commerce and Insurance, there will be approximately 12 to 24 licenses issued each year. The cost per license is \$200 resulting in an increase in revenue that exceeds \$2,400 (12 x \$200).
- There will be a not significant increase to state expenditures to establish license application and renewal requirements. Any cost can be accommodated within existing resources without an increase appropriation or reduced reversion.

• Pursuant to Tenn. Code Ann. § 4-3-1011, all regulatory boards are required to be self-supporting over a two-year period. As of June 30, 2009, the Commission had a positive balance of \$209,042.18.

## **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James W. White, Executive Director

/agl